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February 6, 2001 LB 192, 257

changes we need to do on Select File we'd be happy to do that. And, with that, I'd move the passage of LB 192.

SENATOR DW. PEDERSEN: Thank you, Senator Connealy. Those in favor of LB 192 vote yes; those opposed vote no. Have you all voted? Would you record, please, Mr. Clerk.

CLERK: 37 ayes, 0 nays, Mr. President, on the adoption of Senator Connealy's motion to advance LB 192.

SENATOR DW. PEDERSEN: Thank you, Mr. Clerk. We'll go on to LB...back to LB 257. Senator Wehrbein, to open, please.

SENATOR WEHRBEIN: Thank you, Mr. President. Members of the body, this bill is LB 257. This bill is fairly simple, a little hard to explain. But if passed, LB 257 would allow Medicaid refunds and rebates that occur after the end of the fiscal year in which the costs originally occurred to be credited to Medicaid as an adjustment to expenditures and not to the General Fund. That, in a nutshell, is what the bill does. It's revenue neutral. There's many rebates and so forth earned in this Medicaid program through...it's three programs actually, the Pharmaceutical Rebate Program, Third Party Liability Program, and the Surveillance and Utilization Review System. These earn rebates through the year in this program. The first two quarters of each year there is time for that money to go back into the program as a cash funded agency. The last two quarters, many times, do not clear in time and so by law, at the present time, they go into the General Fund. This is a request to allow these refunds to always go back into this cash funded; even though it's a timing issue, it allows them to go back, the rebates that they earn in these programs, to go back into the cash fund to be used again in that same program rather than to go into the General Fund and actually be lost. So your fiscal note is going to show revenue neutral. In fact there is real strong hope that actually we will improve our rebate situation and earnings because there should be more of an incentive to earn those rebates to get paperwork current and so forth, going back into that same program so that they can be once again used for that purpose, in this case once again the Pharmacy Rebate Program, the Third Party Liability, and the Surveillance and